



Montgomery County Council

From the office of Councilmembers Phil Andrews and Tom Perez

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COUNCILMEMBERS ANDREWS, PEREZ SUPPORT RETENTION OF AFFORDABLE HOUSING AT RISK IN GAITHERSBURG CONDO CONVERSION

Councilmember Phil Andrews and Council President Tom Perez held a news conference today to highlight the need to save 157 affordable housing units in a 784 apartment complex in Gaithersburg – Oakwood Apartments -- which would be converted to expensive condominiums under a proposed sale.

Although the County's Housing Opportunities Commission (HOC) by law has the right of first refusal to match any existing offer and purchase the property, the owner, South Bay Apartments – Van Nuys, a California company, has refused to recognize that right.

"It is absolutely essential to preserve the 157 affordable housing units," said Councilmember Andrews. "These units are a critical element of our affordable housing program."

"Condominium conversions is Ground Zero in the affordable housing crisis in Montgomery County," said Council President Perez. "Preserving these units is especially important in view of the large number of condominium conversions that are occurring throughout the County. I am asking our Department of Housing and Consumer Affairs to prepare an inventory – County-wide – of rental housing in the process of condo conversion."

At present, residents earning 50 to 60 percent of the area median income are eligible for the affordable units at Oakwood. Attempts to negotiate retention of those units in the event of sale have not succeeded to date – and so HOC is interested in purchasing the complex for \$116 million.

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